

## **IC 4-32-9**

### **Chapter 9. Conduct of Games**

#### **IC 4-32-9-1**

##### **Authorized activities**

Sec. 1. A qualified organization may conduct the following activities in accordance with this article:

- (1) A bingo event.
- (2) A charity game night.
- (3) A raffle event.
- (4) A door prize event.
- (5) A festival.
- (6) The sale of pull tabs, punchboards, and tip boards.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-2**

##### **License requirement**

Sec. 2. Except as provided in section 3 of this chapter, a qualified organization must obtain a license from the department to conduct an allowable event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-3**

##### **Exceptions to license requirement; notice requirement; recordkeeping**

Sec. 3. (a) A qualified organization is not required to obtain a license from the department if the value of all prizes awarded at the bingo event, charity game night, raffle event, or door prize event, including prizes from pull tabs, punchboards, and tip boards, does not exceed one thousand dollars (\$1,000) for a single event and not more than three thousand dollars (\$3,000) during a calendar year.

(b) A qualified organization described in subsection (a) that plans to hold a bingo event more than one (1) time a year shall send an annual written notice to the department informing the department of the following:

- (1) The estimated frequency of the planned bingo events.
- (2) The location or locations where the qualified organization plans to hold the bingo events.
- (3) The estimated amount of revenue expected to be generated by each bingo event.

(c) The notice required under subsection (b) must be filed before the earlier of the following:

- (1) March 1 of each year.
- (2) One (1) week before the qualified organization holds the first bingo event of the year.

(d) A qualified organization described in subsection (a) shall maintain accurate records of all financial transactions of an event conducted under this section. The department may inspect records kept in compliance with this section.

*As added by P.L.24-1992, SEC.50. Amended by P.L.51-1995, SEC.1.*

#### **IC 4-32-9-4**

##### **License applications; contents**

Sec. 4. (a) Each organization applying for a bingo license, special bingo license, charity game night license, raffle license, door prize drawing license, or festival license must submit to the department a written application on a form prescribed by the department.

(b) The application must include the information that the department requires, including the following:

- (1) The name and address of the organization.
- (2) The names and addresses of the officers of the organization.
- (3) The type of event the organization proposes to conduct.
- (4) The location at which the organization will conduct the bingo event, charity game night, raffle event, door prize event, or festival.
- (5) The dates and times for the proposed bingo event or events, charity game night, raffle event, door prize event, or festival.
- (6) Sufficient facts relating to the organization or the organization's incorporation or founding to enable the department to determine whether the organization is a qualified organization.
- (7) The name of each proposed operator and sufficient facts relating to the proposed operator to enable the department to determine whether the proposed operator is qualified to serve as an operator.
- (8) A sworn statement signed by the presiding officer and secretary of the organization attesting to the eligibility of the organization for a license, including the nonprofit character of the organization.
- (9) Any other information considered necessary by the department.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-5**

##### **Issuance of licenses; contents; reissuance**

Sec. 5. (a) The commissioner may issue a bingo license to a qualified organization if:

- (1) the provisions of this section are satisfied; and
- (2) the qualified organization:
  - (A) submits an application; and
  - (B) pays a fee set by the department under IC 4-32-11.

(b) Each officer of a qualified organization that signs an application for a bingo license under this section must live in the county where the proposed bingo events will be held.

(c) The commissioner or the commissioner's designee may hold a public hearing to obtain input on the proposed issuance of an annual bingo license to an applicant that has never held an annual bingo license under this article.

(d) The first time that a qualified organization applies for an annual bingo license, the commissioner shall publish notice that the application has been filed. The notification shall be in accordance

with IC 5-14-1.5-5 and shall contain the following:

- (1) The name of the qualified organization and the fact that it has applied for an annual bingo license.
- (2) The location where the bingo events will be held.
- (3) The names of the operator and officers of the qualified organization.
- (4) A statement that any person can protest the proposed issuance of the annual bingo license.
- (5) A statement that the department shall hold a public hearing if ten (10) written and signed protest letters are received by the department.
- (6) The address of the department where correspondence concerning the application may be sent.

(e) If the department receives at least ten (10) protest letters, the department shall hold a public hearing in accordance with IC 5-14-1.5. The public hearing will be held within one (1) of the six (6) geographic regions designated by the department. The department shall issue a license or deny the application not later than sixty (60) days after the date of the public hearing.

(f) A license issued under this section:

- (1) may authorize the qualified organization to conduct bingo events on more than one (1) occasion during a period of one (1) year;
- (2) must state the locations of the permitted bingo events;
- (3) must state the expiration date of the license; and
- (4) may be reissued annually upon the submission of an application for reissuance on the form established by the department and upon the licensee's payment of a fee set by the department.

(g) Notwithstanding subsection (f)(4), the commissioner shall hold a public hearing for the reissuance of an annual bingo license if:

- (1) an applicant has been cited for a violation of law or a rule of the department; or
- (2) the department finds, based upon investigation of at least three (3) written and signed complaints alleging a violation of law or a rule of the department in connection with the bingo license, that one (1) or more of the alleged violations:
  - (A) has occurred;
  - (B) is a type of violation that would allow the department to cite the applicant for a violation of a provision of this article or of a rule of the department; and
  - (C) has not been corrected after notice has been given by the department.

(h) If the department is required to hold a public hearing on an application for a reissuance of an annual bingo license it shall comply with the same procedures required under this section for notice and for conducting the hearing.

(i) The commissioner may deny a license if after a public hearing the commissioner determines that the applicant:

- (1) has violated a local ordinance; or

(2) has engaged in fraud, deceit, or misrepresentation.  
*As added by P.L.24-1992, SEC.50. Amended by P.L.27-1996, SEC.4.*

#### **IC 4-32-9-6**

##### **Special bingo licenses**

Sec. 6. The commissioner may issue a special bingo license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must:

- (1) authorize the qualified organization to conduct a bingo event at only one (1) time and location; and
- (2) state the date, beginning and ending times, and location of the authorized bingo event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-7**

##### **Charity game night licenses**

Sec. 7. The commissioner may issue a charity game night license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must:

- (1) authorize the qualified organization to conduct a charity game night at only one (1) time and location; and
- (2) state the date, beginning and ending times, and location of the charity game night.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-8**

##### **Raffle licenses**

Sec. 8. (a) The commissioner may issue a raffle license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must:

- (1) authorize the qualified organization to conduct a raffle event at only one (1) time and location; and
- (2) state the date, beginning and ending times, and location of the raffle event.

(b) A qualified organization, by rule of the department, may be excused from the requirement of obtaining a license to conduct a raffle event if the total aggregate market value of the prize or prizes to be awarded at the raffle event does not exceed one thousand dollars (\$1,000).

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-9**

##### **Door prize licenses**

Sec. 9. (a) The commissioner may issue a door prize license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must:

- (1) authorize the qualified organization to conduct a door prize event at only one (1) time and location; and
- (2) state the date, beginning and ending times, and location of the door prize event.

(b) A qualified organization, by rule of the department, may be excused from the requirement of obtaining a license to conduct a door prize event if the total aggregate market value of the prize or prizes to be awarded at the door prize event does not exceed one thousand dollars (\$1,000).

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-10**

##### **Festival licenses**

Sec. 10. (a) The commissioner may issue a festival license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must authorize the qualified organization to conduct bingo events, charity game nights, one (1) raffle event, and door prize events and to sell pull tabs, punchboards, and tip boards. The license must state the location and the dates, not exceeding four (4) consecutive days, on which these activities may be conducted.

(b) A qualified organization may not conduct more than one (1) festival each year at which bingo events, charity game nights, raffle events, and door prize events are conducted and pull tabs, punchboards, and tip boards are sold.

(c) The raffle event authorized by a festival license is not subject to the prize limits set forth in this chapter. Bingo events, charity game nights, and door prize events conducted at a festival are subject to the prize limits set forth in this chapter.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-11**

##### **Additional activity authorization**

Sec. 11. (a) A bingo license or special bingo license may also authorize a qualified organization to conduct door prize drawings and sell pull tabs, punchboards, and tip boards at the bingo event.

(b) A charity game night license may also authorize a qualified organization to conduct door prize drawings and sell pull tabs, punchboards, and tip boards at the charity game night.

(c) A raffle license may also authorize a qualified organization to conduct door prize drawings and sell pull tabs, punchboards, and tip boards at the raffle event.

(d) A door prize license may also authorize a qualified organization to sell pull tabs, punchboards, and tip boards at the door prize event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-12**

##### **Multiple licenses**

Sec. 12. A qualified organization may hold more than one (1)

license at a time. However, a qualified organization with multiple licenses may not hold a bingo event and raffle at the same event or at the same time and place unless, by express determination, the department allows a qualified organization to do so. The department may allow a qualified organization to conduct only one (1) event each year at which both bingo and a raffle may be held.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-13**

##### **License limit**

Sec. 13. The department may not limit the number of qualified organizations licensed under this article.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-14**

##### **Exception to gambling statutes**

Sec. 14. IC 35-45-5 does not apply to a person who conducts, participates in, or receives a prize in an allowable event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-15**

##### **Management and conduct of events**

Sec. 15. A qualified organization may not contract or otherwise enter into an agreement with an individual, a corporation, a partnership, a limited liability company, or other association to conduct an allowable event for the benefit of the organization. A qualified organization shall use only operators and workers meeting the requirements of this chapter to manage and conduct an allowable event.

*As added by P.L.24-1992, SEC.50. Amended by P.L.8-1993, SEC.42.*

#### **IC 4-32-9-16**

##### **Allowable expenditures; use of net proceeds**

Sec. 16. The department may, by rule, set the allowable expenditures of a qualified organization with respect to an allowable event. All net proceeds from an allowable event and related activities may only be used for the lawful purposes of the qualified organization.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-16.5**

##### **Donation of gross charitable gaming receipts**

Sec. 16.5. A qualified organization that receives ninety percent (90%) or more of the organization's total gross receipts from any events licensed under this article is required to donate sixty percent (60%) of its gross charitable gaming receipts less prize payout to another qualified organization that is not an affiliate, a parent, or a subsidiary organization of the qualified organization.

*As added by P.L.27-1996, SEC.5.*

#### **IC 4-32-9-17**

##### **Financial records; deposit of funds; payment of expenses**

Sec. 17. A qualified organization shall maintain accurate records of all financial aspects of an allowable event under this article. A qualified organization shall make accurate reports of all financial aspects of an allowable event to the department within the time established by the department. The department may prescribe forms for this purpose. The department shall, by rule, require a qualified organization to deposit funds received from an allowable event in a separate and segregated account set up for that purpose. All expenses of the qualified organization with respect to an allowable event shall be paid from the separate account.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-18**

##### **Event limit**

Sec. 18. (a) A qualified organization may not conduct more than three (3) allowable events during a calendar week and not more than one (1) allowable event each day.

(b) Except as provided in section 10 of this chapter, allowable events may not be held on more than two (2) consecutive days.

(c) A bona fide civic organization as defined in IC 4-32-6-5 may conduct one (1) additional allowable event during each six (6) months of a calendar year.

*As added by P.L.24-1992, SEC.50. Amended by P.L.51-1995, SEC.2.*

#### **IC 4-32-9-19**

##### **Charity game night limit**

Sec. 19. A qualified organization may not conduct more than four (4) charity game nights during a calendar year.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-20**

##### **Lease of facilities and personal property**

Sec. 20. (a) Except as provided in subsection (d), if facilities are leased for an allowable event, the rent may not:

(1) be based in whole or in part on the revenue generated from the event; or

(2) exceed two hundred dollars (\$200) per day.

(b) A facility may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

(d) If a qualified organization conducts an allowable event in conjunction with or at the same facility where the qualified organization or its affiliate is having a convention or other meeting of its membership, facility rent for the allowable event may exceed two hundred dollars (\$200) per day. A qualified organization may conduct only one (1) allowable event under this subsection in a

calendar year.

*As added by P.L.24-1992, SEC.50. Amended by P.L.51-1995, SEC.3.*

#### **IC 4-32-9-21**

##### **Events limited to county of principal office; exception**

Sec. 21. Except where a qualified organization or its affiliate is having a convention or other annual meeting of its membership, a qualified organization may only conduct an allowable event in the county where the principal office of the qualified organization is located. The principal office of a qualified organization shall be determined as follows:

(1) Except as provided in subdivision (3) or subdivision (4), if a qualified organization is a corporation, the principal office shall be determined by the street address of the corporation's registered office on file with the secretary of state.

(2) If a qualified organization is not a corporation, the principal office shall be determined by the street address of the organization on file with the Internal Revenue Service, the department, or county property tax assessment board of appeals for tax exempt purposes.

(3) If a qualified organization is affiliated with a parent organization that:

(A) is organized in Indiana; and

(B) has been in existence for at least five (5) years;

the principal office shall be determined by the principal place of business of the qualified organization.

(4) If a qualified organization is affiliated with a parent organization that:

(A) is a nationally recognized charitable organization;

(B) serves a majority of counties in Indiana; and

(C) has been in existence for at least twenty-five (25) years;

the principal office shall be deemed to be present in every county served by the organization.

*As added by P.L.24-1992, SEC.50. Amended by P.L.51-1995, SEC.4; P.L.6-1997, SEC.5; P.L.129-2001, SEC.1.*

#### **IC 4-32-9-22**

##### **Restriction on events at same location**

Sec. 22. Not more than one (1) qualified organization may conduct an allowable event on the same day at the same location.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-23**

##### **Prohibition on felons as operators or workers; exception**

Sec. 23. An operator or a worker may not be a person who has been convicted of or entered a plea of nolo contendere to a felony committed in the preceding ten (10) years, regardless of the adjudication, unless the department determines that:

(1) the person has been pardoned or the person's civil rights have been restored; or



(2) subsequent to the conviction or entry of the plea the person has engaged in the kind of good citizenship that would reflect well upon the integrity of the qualified organization and the department.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-24**

##### **Prohibition on department employees and relatives as operators or workers**

Sec. 24. An employee of the department or a relative living in the same household with the employee of the department may not be an operator or worker.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-25**

##### **Remuneration of operators and workers**

Sec. 25. (a) Except as provided in subsection (b), an operator or a worker may not receive remuneration for:

- (1) preparing for;
- (2) conducting;
- (3) assisting in conducting;
- (4) cleaning up after; or
- (5) taking any other action in connection with;

an allowable event.

(b) A qualified organization that conducts an allowable event may:

- (1) provide meals for the operators and workers during the allowable event; and
- (2) provide recognition dinners and social events for the operators and workers;

if the value of the meals and social events does not constitute a significant inducement to participate in the conduct of the allowable event.

*As added by P.L.24-1992, SEC.50. Amended by P.L.27-1996, SEC.6.*

#### **IC 4-32-9-26**

##### **Operators limited to one organization; service for other organizations**

Sec. 26. An individual may not be an operator for more than one (1) qualified organization during a calendar month. If an individual has previously served as an operator for another qualified organization, the department may require additional information concerning the proposed operator to satisfy the department that the individual is a bona fide member of the qualified organization.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-27**

##### **Participation of operators and workers in events**

Sec. 27. An operator or a worker may not directly or indirectly participate, other than in a capacity as operator or worker, in an

allowable event that the operator or worker is conducting.  
*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-28**

##### **Operator membership requirement**

Sec. 28. An operator must be a member in good standing of the qualified organization that is conducting the allowable event for at least one (1) year at the time of the allowable event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-29**

##### **Worker membership requirement**

Sec. 29. A worker must be a member in good standing of a qualified organization that is conducting an allowable event for at least thirty (30) days at the time of the allowable event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-30**

##### **Bingo event prize limits**

Sec. 30. (a) The prize for one (1) bingo game may not have a value of more than one thousand dollars (\$1,000).

(b) Except as provided in subsection (c), the total prizes permitted at one (1) bingo event may not have a value of more than six thousand dollars (\$6,000).

(c) The department may, by express authorization, allow any qualified organization to conduct two (2) bingo events each year where the total prizes for the bingo event may not exceed ten thousand dollars (\$10,000). Bingo events authorized under this subsection may be conducted at a festival conducted under section 10 of this chapter.

(d) The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit at a bingo event.

(e) The value of all door prizes awarded at a bingo event may not have a value of more than one thousand five hundred dollars (\$1,500).

*As added by P.L.24-1992, SEC.50. Amended by P.L.2-1995, SEC.7.*

#### **IC 4-32-9-31**

##### **Raffle event prize limits**

Sec. 31. (a) The total prizes for a raffle event conducted at another allowable event may not have a value of more than five thousand dollars (\$5,000). However, the department may, by express authorization, allow a qualified organization to conduct one (1) raffle event at another allowable event each year where the total prizes for the raffle event may not exceed twenty-five thousand dollars (\$25,000). The sale of pull tabs, punchboards, and tip boards is not included in the total prize limit at a raffle event.

(b) The value of all door prizes awarded at a raffle event may not have a value of more than one thousand five hundred dollars (\$1,500).

(c) The prize limits set forth in subsection (a) do not apply to a raffle event that is not conducted at another allowable event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-32**

##### **Door prize event prize limits**

Sec. 32. The total prizes for a door prize event may not have a value of more than five thousand dollars (\$5,000). However, the department may, by express authorization, allow a qualified organization to conduct one (1) door prize event each year where the total prizes for the door prize event may not exceed twenty thousand dollars (\$20,000). The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit at a door prize event.

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-33**

##### **Pull tab, punchboard, and tip board prize limits; selling prices**

Sec. 33. (a) The total prizes awarded for one (1) pull tab, punchboard, or tip board game may not exceed two thousand dollars (\$2,000).

(b) A single prize awarded for one (1) winning ticket in a pull tab, punchboard, or tip board game may not exceed three hundred dollars (\$300).

(c) The selling price for one (1) ticket for a pull tab, punchboard, or tip board game may not exceed one dollar (\$1).

*As added by P.L.24-1992, SEC.50.*

#### **IC 4-32-9-34**

##### **Prohibited participants**

Sec. 34. (a) Except as provided in subsection (b), the following persons may not play or participate in any manner in an allowable event:

(1) An employee of the department.

(2) A person less than eighteen (18) years of age.

(b) A person less than eighteen (18) years of age may sell tickets or chances for a raffle.

*As added by P.L.24-1992, SEC.50. Amended by P.L.18-1994, SEC.2.*

#### **IC 4-32-9-35**

##### **Employees and officers of manufacturer or distributor; membership in organizations holding charity gaming license**

Sec. 35. If an employee or officer of a manufacturer or distributor is a member of a bona fide civic or bona fide religious organization that holds a charity gaming license, the employee's or officer's membership in the organization may not be construed as an affiliation with the organization's charity gaming operations.

*As added by P.L.188-2003, SEC.4.*

#### **IC 4-32-9-36**

**Radio advertising**

Sec. 36. An advertisement for an allowable event in radio broadcast media must announce, within the advertisement, the name of the qualified organization conducting the allowable event and that the qualified organization's license number is on file.

*As added by P.L.188-2003, SEC.5.*